



AGRICULTURE ADVISORY COMMITTEE  
TUESDAY, MARCH 25, 2008  
California State Library, Sacramento  
2:00 a.m. – 4:00 p.m.

### **MEETING SUMMARY**

A meeting of the Agriculture Advisory Committee took place on March 25, 2008.

#### **Committee Members Present**

Lt. Governor John Garamendi, CED Chair  
Tom Nassif, Committee Chair  
Dr. Andy Thulin  
Richard Rominger  
Karen Ross  
Len Richardson  
Ron Lind  
John Lacey  
Dr. Joseph Jen  
Dan Macon  
Mark Chandler  
Mike Bradley  
Barry Bedwell  
Mark Murai  
Steven Burns  
Roger Baccigaluppi  
Richard Engel  
Chuck Ahlem  
Michael Barr  
Bill Mattos  
Chris Zanolini  
Scott Wickstrom  
Henry Giacomini  
Bob Gallo  
Bob Gray  
Paul Wenger  
Bonnie Fernandez

Mike Wade  
John Harris  
Giev Kashkooli

#### **Committee Members Not Present**

Bill Lyon  
Joel Nelsen

#### **Others in Attendance**

Ed Schafer, Secretary of USDA  
A.G. Kawamura, Secretary of CDFA  
Eric Stein, Deputy Secretary of CDFA  
Robert Tse, CDFA  
Jonnalee Henderson, CDFA  
Richard Baum, CED Executive Director  
Michele Gault, CED Deputy Director  
Lisa Mantarro, Congressman Dennis Cardoza's office  
Glenda Humiston, former USDA deputy undersecretary

#### **WELCOME**

CED Chair Lt. Governor John Garamendi called the meeting to order. The Lt. Governor identified the purpose of the Agriculture Advisory Committee as advising and making legislative recommendations related to the agriculture industry to the Commission for Economic Development which in turn will present those recommendations to the Governor and Legislature. He noted that he and the committee were very pleased that Ed Schafer, secretary of the U.S. Department of Agriculture, could join the meeting. He asked the committee members to briefly introduce themselves.

## INTRODUCTIONS

The Lt. Governor invited Tom Nassif, CED vice chair and chair of the agriculture advisory committee, to introduce the agenda. Mr. Nassif spoke about the frequency and format of the committee meetings. He proposed creating subcommittees to allow flexibility. He introduced USDA Secretary Ed Schafer. Secretary Schafer remarked on the success of the agriculture industry, the farm bill negotiations, and the largest meat recall in the history of the United States. He identified his three areas of focus. The first is the generation of good public policy including the passage and implementation of the farm bill. He observed that implementation involves establishing the rules and regulations that will deliver the promise of the farm bill in the years to come. The next few months are critical in the process of passing the farm bill. Secretary Schafer projected that policy makers will deliver a farm bill to the President that he hopes to sign this year. The due date is April 18. The Secretary's second area of focus is the development of renewable energies as an emerging industry and his third is expanding telecommunication infrastructure capacity in rural communities. He wants to focus on improving the availability and performance of broadband services in those communities.

## QUESTIONS AND RECOMMENDATIONS

The following topics were discussed among the committee members and Secretary Schafer:

- The need to prioritize research, research funding and partnerships for that funding.
- The agriculture industry depends on farm labor. The No-Match Rule requires employers to fire workers whose Social Security documents cannot be verified, or risk up to \$10,000 in fines for hiring undocumented workers. While the No-Match Rule may be an important tool for cracking down on illegal hiring practices, according to estimates by growers' associations, more than 70% of farm workers in the American fields are undocumented workers. A committee member commented that the fiscal impacts of the No-Match Rule are hurting California farmers. He stated that this problem will be exacerbated by the President's suggested increase in the size of the sanctions. California needs a workable program that responds to its specialty crops and high demand for short term labor.
- The need to give high priority to the elimination of invasive pests, such as the light brown apple moth. There is a growing reluctance by the public to understand and participate in the eradication of pests. This reluctance is compounded by a general distrust of government.
  - Secretary Schafer stated that the USDA is studying the health impacts of spraying for pests – conducting inhalation studies, toxicity tests, eye and skin tests. The studies are designed to develop objective information with which to educate the public.
- Increases in feed (grain) prices are hurting the dairy and cattle industry.
  - Noting that in a free market economy the only option for the USDA is to look towards alternatives, the Secretary referred to a long term project to develop feed stock from cellular materials so they are economically feasible.
- International trade: The WTO negotiations are progressing but are still a few years out. There are three trade agreements pending approval before Congress: Panama, Colombia, and South Korea.
  - Colombia needs an ally in the U.S. to help move agriculture out of illegal drug trade into a productive crop market.
  - Moving forward with the trade agreements is important to the U.S. economy
  - The agreement with South Korea is most significant because South Korea is California's 6<sup>th</sup> largest export market.
- International trade: The horticulture sector, fruits and vegetables, imports more than it exports. A committee member issued a request for help to open new markets to overcome barriers because there are millions of dollars in lost opportunities.
- The agriculture industry needs a strong land conservation program.

- It was recommended that there be some focus on the guest worker program and the huge population of farm workers presently in the country who should be allowed the right to apply for legal status.
- The USDA lacks a specific definition of sustainability but is working toward developing one.
  - There is discussion in the USDA about carbon credits. The carbon cap trading system allows big polluters to continue polluting. Secretary Schafer is interested in finding a way to use the carbon credit system in a way that would influence businesses to clean up their operations.

Secretary Schafer departed at approximately 3:15 p.m. CDFA Secretary A.G. Kawamura described the current activities of his agency, and welcomed continued discussion from the committee members. Secretary Kawamura noted that he would like to be kept informed of the committee's efforts, and to work together with the committee on agriculture issues.

### **KEY ISSUES RAISED**

1. Sustainability – water and energy
2. Global Climate Change – we need to adapt to climate change and concurrently move away from carbon-based fuels
3. International markets
4. The committee needs to come up with a definition of sustainability.

### **DISCUSSION**

The Lt. Governor and Committee Chair Nassif opened the floor to a general discussion. The following topics were raised:

- Sustainability will require a new workforce.
- Loss of productive farmland and an agricultural workforce.
  - How can an agriculture workforce be sustained and prepared with the skills necessary for progress in the industry?
- The committee members discussed the topics raised with Secretary Schafer.
- Tom Nassif said the committee has an opportunity to make a difference. The committee can collectively take on a project to assist the Governor and Legislature. The committee is economically driven – He observed that “what’s good for agriculture will be good for the state” and hopefully vice-versa.
  - The committee needs to simplify and discuss issues in its subcommittees
  - Tom Nassif referred to the potential list of subcommittees and asked each committee member to consider serving on at least one subcommittee.
- The goal of the commission is to make recommendations that will help the agriculture industry thrive.

Meeting was adjourned by Lt. Governor Garamendi at approximately 4:10 p.m.